

FISCAL IMPACT STATEMENT ON BILL NO. **H.3055**

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| TO: | The Honorable Robert E. "Bob" Walker, Chairperson, House Education and Public Works Committee | | |
| FROM: | Office of State Budget, Budget and Control Board | | |
| ANALYSTS: | Bryce Wilson, Harry Bell and Beth Campbell | | |
| DATE: | January 30, 2007 | SBD: | 2007008 |

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| AUTHOR: | Representative Davenport | PRIMARY CODE CITE: | 59-26-310 |
| SUBJECT: | Teacher Preparation Program Evaluations | | |

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

This Bill would amend Chapter 26, Title 59 of the Code of Laws to charge the Commission on Higher Education (CHE) and the Education Oversight Commission (EOC) with evaluating the effectiveness of teacher education programs based on six specific elements. The legislation requires the evaluation process to be conducted annually and results presented by January 1 of each year. Additionally, the legislation requires a council be convened by CHE to serve in an advisory capacity and directs the composition of this council.

EXPLANATION OF IMPACT:

The Senate and the House of Representatives

The Legislature indicates there will be an additional cost for the proposed Bill. The council will consist of 6 legislators who will serve as ex-officio members. The cost per legislator per one-day meeting is \$225 per person. The total cost of the 6 members will be \$1,350.

Commission on Higher Education (CHE)

CHE anticipates a cost of \$507,307 for FY 2008-09 which includes providing staff support to the committee and additional "flow through" funds to the institutions to compensate them for faculty time spent serving on the advisory committee. First year direct CHE costs include \$104,622 for 1.5 additional FTEs to include a program manager and a part-time administrative assistant plus \$42,685 for operating, meeting and non-recurring office set-up costs. "Flow through" funds to institutions are estimated to be \$360,000 to hire adjunct professors due to the absence of faculty serving on the advisory council. Costs to the institutions could be covered with State General Funds or tuition and fee (other funds) revenue. Second and subsequent years costs to prepare and present effectiveness ratings, assuming four meetings a year, is an estimated \$129,507.

Education Oversight Committee (EOC)

The EOC anticipates the need for an additional \$80,663 for FY 2008-09 to assist the Commission on Higher Education in evaluating the effectiveness of the program. This includes \$41,663 for two part time staff, \$25,000 for a graduate assistants and \$14,000 for other operating expenses. Second and subsequent years cost to update the evaluation study is an estimated \$45,666. The impact could be on State General Funds and/or Education Improvement Act funds.

State Department of Education

SDE anticipates no additional cost associated with enactment of the Bill.

Recapitulation

Total implement costs for FY 2008-09 can be an estimated \$601,470 based on ten meetings during the first year including \$360,000 of 'flow through' funds to the institutions. Minimum first year impact on the State General Fund can be an estimated \$160,807 based on Senate and House of Representatives cost plus direct CHE support cost estimates. The costs to the institutions could be covered with State General Funds or tuition and fee revenue while EOC costs can be covered with State General Funds or Education Improvement Act funds. Second and subsequent year cost can be an estimated \$180,573 annually at least \$134,907 of which would be State General Funds.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:

A handwritten signature in black ink that reads "Don Addy". The signature is written in a cursive, flowing style.

Don Addy
Assistant Director, Office of State Budget